Approved For Release 2007/10/19: CIA-RDP85M00364R001302210016-9
THE DIRECTOR OF Brecutive Registry CENTRAL INTELLIGENCE 13 July 1983 " National Intelligence Council NOTE FOR: Director of Central Intelligence Attached is some suggested language for the President's forthcoming speech to be given on 18 July 1983. **STAT** Constantine Menges Constantine C. Menges NIO/PPT

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Suggestions for the President's Central America Speech

In order for my balanced program in Central to succeed, the Congress must provide the administration with the capacity to act decisively and the foreign aid resources we request. So far total expenditures for Central America during my administration in calendar years 1981 and 1982 have been economic assistance and for military assistance. In fiscal year 1983 which ends in little more than two months from now I have requested the Congress to provide economic aid and in military aid, an amount % of our worldwide economic aid and which is about % of our worldwide security assistance. However, so far Congress has provided only a small portion of the resources I have requested. This is illustrated by the fact that for El Salvador in fiscal year 1983 I requested \$220 million in economic aid but so far the Congress has only provided \$40 million and of \$170 million in military aid requested Congress so far has only provided \$6 million. We cannot help friendly governments defend themselves unless Congress is willing to actually provide the resources which are necessary in a timely fashion.

A major obligation of national leadership is to foresee potentially dangerous trends in foreign affairs and take timely action to prevent them from posing ever larger threats. My program for Central America is comprehensive and deals with all facets of the problems and at the same time: our efforts on behalf of democratic institution building, reform and economic improvement will help the people in these countries live better while we simultaneously use our security assistance to prevent the Soviet Union, Cuba and Nicaragua from creating more communist dictatorships.

However, if the Congress fails to provide my administration with the capacity to implement this program the events in Nicaragua since July 19, 1979 clearly foreshadow the enormously increased challenge and costs that would be needed to prevent all 100 million people from Panama to the US border from coming under communist control. Consider the military buildup in Nicaragua--a country of 2.4 million people with Soviet bloc and Cuban help has built a military force of about 70 thousand (compared to the 10 thousand members of Somoza's national guard), 36 new military bases and quantities of military equipment such as tanks, mobile rocket launchers, armoured personnel cariers. If all of Central America came under communist control it would have a population 10 times that of Nicaraqua and there is every reason to expect that its military forces would also be 10 times those of Nicaragua or about 700 thousand men. In case you think this is inconceivable, consider the fact that communist Cuba with a population of 9 million has military forces totalling 225 thousand including 40 thousand military personnel in Africa and several thousand in Nicaragua--communist Cuba has a military force second in Latin America only to Brazil, a country with a population 12 times larger.

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Even more threatening in the future if we fail to stop communism today in Central America would be the momentum of subversion as new communist governments cooperate with the Soviet bloc and Cuba against their neighbors. This is again illustrated by the actions of the Sandinista regime in Nicaragua where within weeks of taking power they established training camps and arms shipment facilities to help the communist guerrillas of El Salvador and Guatemala. As my administration has documented publicly and as the House Intelligence Committee has publicly agreed, this Nicaraguan cooperation in the export of subversion has expanded during the last four years and it has also involved actions against democratic Honduras and democratic Costa Rica which long preceeded the growth of the anti-Sandinista forces.

If Central America with a combined population of 24 million became communist there is every reason to expect that the new communist governments there would do exactly what the Sandinistas and Nicaragua have done since July 19, 1979: they would permit Soviet bloc and Cuban advisers to enter their countries and have them take control of the population and they would cooperate with the extreme left within neighboring countries such as Mexico and Panama and elsewhere in Latin America in order to bring communists or pro-Soviet regimes to power there also. The resulting costs of dealing with this export of subversion and military buildup by a communist Central America would be enormous both in the risks to world peace inherent in the likely scale of confrontation with the Soviet bloc and in the degree of the military and economic resources which the US would have to allocate in order to contain communism and destabilization at that point.

This is the choice before the nation today: whether the Congress will provide my administration with the resources and flexibility necessary to end this threat through a prudent balanced strategy today or whether a far more serious threat will face this country within several years.

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